



Cover Letters Will Move Your Business

A cover letter is a critical part of the underwriting process, allowing you to present a more comprehensive and accurate portrait of your client than the application allows. A well-written letter that includes background on a client's risk factors can help move the application through underwriting. A poorly written cover letter – or none at all – could result in numerous conversations with your underwriter or a quick decline.

To help ensure your cover letter does its intended job, start by:

- Reiterating the type of policy your client would like and the face amount.
- Explaining the purpose of the coverage – personal or business – and providing any additional pertinent details, such as:
 - Whether the personal policy will be tied into loans or used for income replacement or estate coverage.
 - For business policies, the applicant's position and role within the company. Explain your client's importance to the company and any unique talent that would be difficult to replace. If a buy-sell agreement exists, detail how it will be tied into the company's value. For loan coverage, provide details on the loan.
- Noting, with full details, any additional companies where your client has submitted applications for insurance.

Follow with these three key elements:



1

Financial Details

- Explain how you and your client arrived at the desired face amount.
- Provide details around any bankruptcies, poor credit or other financial issues.
- Explain any unusual situations that may merit special consideration.

2

Medical History

- Provide a summary of your client's relevant medical history.
- For any significant conditions your client has or had, include details on current and past treatments, medications and any outcomes.
- Note which rating class was quoted.

3

Lifestyle

- Share any relevant information regarding lifestyle risks, such as hobbies, exercise routines or travel preferences.
- If relevant, note any history of driving violations.